
TO : Cyprus Investments Firms

FROM : Cyprus Securities and Exchange Commission

DATE : 05 July 2017

CIRCULAR No : C221

SUBJECT : **New rules set by the Polish Financial Supervision Authority (the 'KNF') regarding persons that are allowed to provide activities in the territory of Poland**

The Cyprus Securities and Exchange Commission (the 'CySEC') hereby draws the attention of the Cyprus Investment Firms (the 'CIFs'), which freely provide investment services in accordance with Article 79 of the Investment Services and Activities and Regulated Markets Law of 2007, as in force (the 'Law'), in the territory of Poland, to KNF's new rules that entered into force on 29 April, 2017, regarding the persons that are allowed to provide such services.

More specifically:

1. Pursuant to article 79(2)(a) of the amended Polish Act of 29 July 2005 on Trading in Financial Instruments ('the Act'), the activities of:
 - i. client/potential client acquisition,
 - ii. advising on the range of the investment services provided by a (foreign) investment firm or on financial instruments¹ that are subject to those services,may be conducted, in the territory of Poland, only by:
 - a (foreign) investment firm, or
 - an agent of a (foreign) investment firm (supervised intermediary acting in the name and on behalf of the investment firm).
2. The only exception to that rule is thereafter provided in Article 79(2)(b) of the Act, where the above listed activities may be conducted by entities other than a (foreign) investment firm or an agent of a (foreign) investment firm only if the information is, at the same time, communicated to a broad group of clients or potential clients of the investment firm or to an indefinite recipient (e.g. TV or radio advertisement).
3. CIFs may visit KNF's [website](#) to read more information on the aforementioned provisions.

¹ "Financial instruments" means any of the instruments specified in Part III of the Third Appendix of the Law.

4. CySEC herewith advises CIFs to consult with their legal consultants regarding the necessary actions/measures required to ensure compliance with KNF's new regulatory requirements.

Yours sincerely,

Demetra Kalogerou
Chairman of the Cyprus Securities and Exchange Commission